

State of Arizona
Senate
Forty-ninth Legislature
First Regular Session
2009

Senate Engrossed
FILED
KEN BENNETT
SECRETARY OF STATE

CHAPTER 116

SENATE BILL 1373

AN ACT

AMENDING SECTION 42-1107, ARIZONA REVISED STATUTES; RELATING TO INCOME TAX RETURNS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 42-1107, Arizona Revised Statutes, is amended to
3 read:

4 42-1107. Extension of time for filing returns

5 A. The department may, pursuant to administrative rule, MAY grant an
6 automatic extension of time for filing an income tax return under title 43 if
7 at least ninety per cent of the tax liability disclosed by the taxpayer's
8 return for the reporting period is paid and if the request for extension is
9 received or mailed on or before the date the return is otherwise due to be
10 filed. If at least ninety per cent of the tax liability disclosed by the
11 taxpayer's return for the reporting period has not been paid at the time of
12 filing for the extension, the taxpayer is subject to a penalty of one-half of
13 one per cent of the tax not paid for each thirty day period or fraction of a
14 thirty day period elapsing between the date the return is otherwise due to be
15 filed and the date the tax is paid, not to exceed a total of twenty-five per
16 cent. If a taxpayer is subject to both of the penalties prescribed under
17 this section and section 42-1125, the maximum combined penalty that may be
18 imposed on the taxpayer under both sections shall not exceed twenty-five per
19 cent of the tax found to be remaining due. A TAXPAYER IS NOT SUBJECT TO THE
20 PENALTIES PRESCRIBED UNDER SECTION 42-1125, SUBSECTION D IF THE TAXPAYER IS
21 SUBJECT TO THE PENALTIES PRESCRIBED UNDER THIS SECTION. If in its judgment
22 good cause exists, the department may grant a further extension or extensions
23 of time for filing the return pursuant to administrative rule. No extension
24 or extensions granted under this subsection may aggregate more than six
25 months from the due date provided for the filing of returns.

26 B. If the taxpayer has been granted an extension or extensions of time
27 within which to file a federal income tax return for any taxable year, the
28 taxpayer is deemed to have been granted the same extension of time for filing
29 the Arizona income tax return if the taxpayer has paid at least ninety per
30 cent of the tax liability disclosed by the taxpayer's return for the
31 reporting period. If at the time the taxpayer has been granted a federal
32 extension or extensions the taxpayer is required to make the payment of at
33 least ninety per cent under this section, the payment shall be in a manner
34 prescribed by the department.

35 C. The department, for good cause, may grant a reasonable extension of
36 time for filing an Arizona estate tax return. A request for extension shall
37 be in a form prescribed by the department.

38 D. The department, for good cause, may extend the time for making any
39 other return required by chapter 5, articles 1, 4 and 5 of this title, and
40 may grant such reasonable additional time in which to make the return as it
41 deems proper, but the time for filing the return shall not be extended beyond
42 the first day of the third month next succeeding the regular due date of the
43 return.

APPROVED BY THE GOVERNOR JULY 10, 2009.

FILED IN THE OFFICE OF THE SECRETARY OF STATE JULY 13, 2009.